

***United States Court of Appeals
for the
District of Columbia Circuit***



**TRANSCRIPT OF
RECORD**

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Court of Appeals, District of Columbia

JANUARY TERM, 1909.

No. 1978.

620

ANNA J. COOPER, APPELLANT,

vs.

UNITED SECURITY LIFE INSURANCE AND TRUST
COMPANY OF PENNSYLVANIA, CONSTANTINE H.
WILLIAMSON, AND WILLIAM E. EDMONSTON.

APPEAL FROM THE SUPREME COURT OF THE DISTRICT OF COLUMBIA

FILED JANUARY 9, 1909.

COURT OF APPEALS OF THE DISTRICT OF COLUMBIA

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In the Court of Appeals of the District of Columbia.

No. 1978.

ANNA J. COOPER, Appellant,
vs.

UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY OF PENNSYLVANIA ET AL.

a Supreme Court of the District of Columbia.

Equity. No. 26662.

ANNA J. COOPER
vs.

UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY OF PENNSYLVANIA, CONSTANTINE H. WILLIAMSON, and WILLIAM E. EDMONSTON.

UNITED STATES OF AMERICA,
District of Columbia, ss:

Be it remembered, That in the Supreme Court of the District of Columbia, at the City of Washington, in said District, at the times hereinafter mentioned, the following papers were filed and proceedings had, in the above-entitled cause, to wit:—

1 *Bill.*

Filed November 1, 1906.

In the Supreme Court of the District of Columbia.

Equity. No. 26662.

ANNA J. COOPER
vs.

UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY OF PENNSYLVANIA, CONSTANTINE H. WILLIAMSON, and WILLIAM E. EDMONSTON.

To the Supreme Court of the District of Columbia, holding an Equity Court for said District:

Complainant states as follows:

1. That she is a resident of the District of Columbia, and brings this suit in her own right.

2. The defendant the United Security Life Insurance and Trust Company of Pennsylvania is a corporation under the laws of the State of Pennsylvania, but conducts business and has an agent in the District of Columbia; it is sued in its own right. The defendant Constantine H. Williamson is a resident of the City of Philadelphia, and the defendant William E. Edmonston is a resident of the District of Columbia, and both of said last named defendants are sued as trustees as hereinafter stated.

3. Prior to January 6, 1892 the complainant was the owner in fee simple of lot numbered 17 in John J. and Joseph R. Edson's sub-division of part of original lot 1 in square numbered 154, as per plat recorded in Liber J. H. K. Folio 275, of the records of the Surveyor's office of said District. Said property is situate in the City of Washington, and is improved by brick dwelling number 1706 17th Street Northwest.

4. On said January 6 1892 the complainant executed a deed of trust whereby she conveyed the property last above described to the defendants Edmonston and Williamson, in trust to secure her certain writing obligatory, in the penalty of \$9200, the said defendant corporation being the obligee therein, and said bond being conditioned for the payment by complainant as obligor, within twenty years, in monthly installments, of the amounts set forth in said bond of the principal and interest thereon, and it also required the payment by complainant of the taxes and insurance premiums each year as they accrued. Said writing also provided that if at any time after the expiration of five years from its date, if each and every condition thereof had been performed, the complainant might cancel said bond and have a release of said deed of trust on payment of the balance unpaid of the principal, together with a premium of two per cent. on said balance. All of which will more fully appear by reference to said deed of trust duly recorded in Liber No. 1633 Folio 478, of the Land Records of said District, reference to which is here made, and also by duly certified copy of said deed of trust, marked Exhibit A, herewith filed, and prayed to be read and considered as a part of this bill.

5. Thereafter, in the year 1892, complainant paid to said defendant corporation 12 notes each for \$47.15, aggregating \$565.80. In 1893 she paid 12 notes, each for \$46.69, aggregating \$560.28. In 1894 she paid 12 notes each for \$46.16, aggregating \$553.92. In 1895 she paid 12 notes each for \$45.59, aggregating \$547.08. In 1896 she paid 12 notes each for \$44.99 aggregating \$539.88. In 1897 she paid 12 notes each for \$44.25, aggregating \$531.00. In 1898 she paid 12 notes each for \$43.62, aggregating \$523.44. In 1899 she paid 12 notes each for \$42.69 aggregating \$512.28. In 1900 she paid 12 notes each for \$41.81, aggregating \$501.72. In 1901 she paid 12 notes each for \$40.85, aggregating \$490.20. In 1902 she paid 12 notes each for \$39.83, aggregating \$477.96. In 1903 she paid 12 notes each for \$38.78, aggregating \$465.36. In 1904 she paid 12 notes each for \$37.63, aggregating \$457.56. In 1905 she paid 12 notes each for \$36.48, aggregating \$437.76, and in 1906 she paid 5 notes each for \$35.19, aggregating

\$175.95. Complainant has thus paid in a period of fourteen years and five months, from the date of said transaction, January 6, 1892 to June 6, 1906, the full sum of \$7,341.19, and at six per cent. interest, calculated with a reduction of the principal by treating the partial payments as made in a lump sum each year, instead of monthly as the fact was, said indebtedness of \$4,600 was entirely liquidated before the expiration of the twelfth year. Calculating the principal as reduced each month by the payments, said principal debt was extinguished at a much earlier period.

Nevertheless, in a statement obtained from the defendant corporation, showing its claims under said bond and deed of trust, it demands, if payment is made on or before November 6, 1906, the sum of \$1,704.63. This payment, together with the \$7,341.19, actually paid by the complainant to the defendant corporation, would make a total of \$9,045.82, paid, for the most part, in monthly instalments, to settle with in the period of fourteen years and ten months, an original indebtedness of \$4,600. Complainant denies that \$1,704.63 could be or is due upon any basis of calculation.

6. From the statement made to her at the time of the negotiation of said loan by the agents of the defendant corporation, complainant understood that the loan was running at the rate of six per cent. per annum, and she was never asked to consent to pay a higher rate of interest, nor as a matter of fact did she ever contemplate or agree to pay a rate in excess of that above mentioned. The only contingency, as she understood, which would require the payment by her of a greater rate of interest, was in the event of a sale under said deed of trust, in which case said writing obligatory, according to complainant's recollection provided that the whole of the principal, whether then due or not was to become forthwith payable with interest at the rate of nine per cent. per annum from the date of default to the final payment of said principal. It is true that at the date of said loan complainant was furnished a schedule showing the amounts to be paid on the 6th day of each month during a period of twenty years, but it was not explained to her that the making of said payments would involve the payment of interest in excess of the legal rate of six per cent., nor was there anything which excited her suspicion and induced the calculation which might show a rate in excess of said legal rate.

7. Complainant avers, as she is advised, that neither said bond nor said deed of trust contains any stipulation or agreement that the rate of interest on said loan of \$4600 shall exceed six per centum per annum; that such agreement, to warrant a charge in excess of the legal rate, must be explicit and so framed as to enable the complainant to understand what obligation, with respect to interest, she was assuming, but the fact is that complainant had no such knowledge, nor even a suspicion on the subject until June last when she made a calculation of the amount paid by her to said corporation, with a view of ascertaining the condition of her indebtedness, and it then became apparent to her that she had long since settled in full and that said corporation had been overpaid.

Complainant avers that such schedule of payments, inasmuch as said bond and deed of trust avoid any statement or stipulation as to the rate of interest, is simply a device for evading a disclosure that excessive interest is to be charged, and had the effect of concealing from the complainant the fact that she was being so hardly dealt with. For the fact is, as complainant avers, that the claim of the defendant corporation is unconscionable, and she avers that it should not be permitted to withhold a release of said deed of trust any longer.

8. Complainant is informed and avers that in said demand as made by the defendant corporation, for the additional sum of \$1,704.63, is embraced a claim, amounting to \$29.96, being
6 a two per cent. premium on some unknown amount, which claim, complainant avers, is unfounded, illegal and usurious.

9. Complainant is ready and willing to pay whatever may by any possibility remain due by her to said defendant corporation, upon any just and legal statement of the account between them, and hereby makes tender of the same to said defendant. The value of the real estate, embraced in said deed of trust, is more than four times in excess of the balance claimed by said corporation, and there is no possibility of loss to it by reason of delay, during the pendency of this suit, in the ascertainment of the state of the account between the complainant and said corporation.

Complainant is willing, if the court should so require, or said corporation demand, to raise on said property a sum equal to the claim of said corporation and deposit the same in the Registry of this court, to abide the event of this suit, and to be disposed of as the final decree, to be passed herein, may direct. But, as already stated, complainant avers that the said defendant corporation has been largely overpaid.

10. Complainant has every reason to apprehend that said defendant corporation would endeavor to enforce its unjust claim against her by directing the defendant trustees to advertise said property for sale under said deed of trust. And complainant says and avers that such a course would be most injurious to her, and would be to her irreparable injury, inasmuch as she would then be obliged either
7 to allow her property to be sold, at great expense, at a sacrifice, or, to save the same, submit to said unjust demand and pay the amount thereof, in which latter case she would be precluded from thereafter contesting the validity of said claim, and would be out of pocket to the extent of more than \$1,700.

Complainant further avers that to allow said defendant corporation thus to coerce her into such a settlement would be most inequitable, and that any attempt of that sort, should be enjoined by this court until the account between her and said corporation is stated and settled.

Prayers.

Wherefore complainant prays as follows:

1. That this cause may be referred to the Auditor of this court with instructions to state an account between the complainant and

said defendant corporation, and to report what amount, if any, is due by the complainant on account of said loan, and what amount, if any, has been overpaid by the complainant to said defendant.

2. That upon final hearing said bond and deed of trust may be declared to have been paid and satisfied; that the defendant corporation may be required to deliver said bond to the complainant for cancellation, and said defendant trustees may be required to execute to the complainant a release of said deed of trust.

3. That said defendant trustees may be enjoined during the pendency of this suit, and permanently thereafter, from selling or attempting to sell under said deed of trust.

4. That complainant may have such other and further relief as the nature of her case may require.

8 To which end complainant prays for process against the defendants the United Security Life Insurance and Trust Company of Pennsylvania, Constantine H. Williamson and William E. Edmonston, requiring them to appear and answer the exigencies of this bill.

ANNA J. COOPER.

IRVING WILLIAMSON,
Sol'r for Compl't.

DISTRICT OF COLUMBIA, ss:

I, Anna J. Cooper, do solemnly swear that I have read the bill by me subscribed and know the contents thereof, and that the facts therein stated upon my personal knowledge, are true, and those therein stated upon information and belief, I believe to be true.

ANNA J. COOPER.

Subscribed and sworn to before me this First day of November, 1906.

[SEAL.]

SAMUEL E. LACY,
Notary Public, D. C.

Memorandum.

Exhibit A attached to Bill is U. S. Co. Exhibit 3 to answer of United Security Life Insurance and Trust Company of Pennsylvania, at page 22 of this record.

9 *Separate Answer of United Security Life Insurance and Trust Company.*

Filed June 5, 1907.

In the Supreme Court of the District of Columbia.

In Equity. No. 26662.

ANNA J. COOPER, Complainant,

vs.

UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY OF PENNSYLVANIA and CONSTANTINE H. WILLIAMSON and WILLIAM EDMONSTON, Trustees, Defendants.

This defendant, now and at all times hereafter saving and reserving unto itself all and all manner of benefit or advantage of exception or otherwise that can or may be had or taken to the many errors, uncertainties and imperfections in the said bill contained, for answer thereto, or to so much thereof as this defendant is advised it is material or necessary for it to make answer to, answering saith:

1. It admits the allegations contained in the first paragraph of the bill of complaint.

2. It admits the allegations contained in the second paragraph of the bill of complaint.

3. It admits the allegations contained in the third paragraph of the bill of complaint.

4. It admits the allegations contained in the fourth paragraph of the bill of complaint.

10 5. It admits the allegations contained in the fifth paragraph of the bill of complaint so far as the payment to this defendant of the several sums of money in the several years from 1892 to 1906 is concerned, and avers that the total amount of the payments so made to and received by this defendant is, in the aggregate, the sum of \$7334.19, instead of \$7341.19, as stated in said paragraph, but it denies that said several payments were, or that any of them was, a payment of "notes," as in said fifth paragraph alleged, but it avers the fact to be that said several payments were and each of them was made, received and applied in respect of certain instalments on the said loan of money to said complainant, each such instalment including a return of a portion of the principal of said loan and interest on the balance thereof, as hereinafter set forth. This defendant neither admits nor denies the accuracy of the calculation by the complainant as to interest on said loan, but calls for proof thereof if the same be deemed material to the complainant's case. This defendant admits that it furnished to the complainant a statement showing that the amount due in respect of said loan on or before the 5th day of November, 1906, was the sum of \$1704.63, and it admits that if payment of this amount of \$1704.63 had been made on or before said fifth day of November, 1906, the complainant would then have

paid to this defendant in connection with the instalments previously paid and aggregating \$7334.19 as aforesaid, the sum of \$9038.82 (not \$9045.82) in satisfaction and discharge of the said loan of \$4600 made to said complainant on the said sixth day of January, 1892, and it avers that this sum of \$9038.82 is the amount
11 complainant covenanted and agreed to pay to this defendant in respect of said loan, on or before said 5th day of November, 1906, according to a proper calculation thereof as hereinafter set forth.

6. This defendant, upon information and belief, denies that at the time of the negotiation of said loan by the complainant the defendant or its agents made any statement or representation to the complainant as to the rate of interest on said loan, and it avers the fact to be that complainant was fully informed of the several amounts to be paid by her, and of the aggregate thereof, in settlement and repayment of said loan to her, by and from the said deed of trust and bond executed by her, and from the schedule which complainant admits was furnished to her at the date said loan was made.

7. This defendant denies the averments of fact contained in the seventh paragraph of said bill of complaint, and as to the conclusions of law, if any, expressed therein, it leaves the same to be determined by this honorable Court.

8. This defendant admits that in its statement of the amount of \$1704.63 required to be paid by the complainant on or before November 5, 1906, to settle her indebtedness to this defendant, is embraced the sum of \$29.96, being a premium agreed by the complainant to be paid to the defendant on the balance of said loan in the event of payment of said loan before the maturity thereof, but it denies that said claim is unfounded, illegal and usurious.

9. This defendant denies that the complainant is ready and willing
12 to pay whatever is due to this defendant and it denies that the value of said real estate, embraced in said deed of trust, is more than four times in excess of the balance due this defendant, and that there is no possibility of loss to this defendant by reason of delay during the pendency of this suit in the ascertainment of the state of account between said complainant and this defendant. This defendant is not willing that the complainant should raise upon said property a sum equal to the amount of the claim of this defendant against said property and deposit the same in the registry of this Court to abide the event of this suit, but prefers and insists upon its right to maintain its claim and lien against said property undisturbed until the final adjudication of the contentions of said complainant; and this defendant denies that it has been largely, or at all, overpaid by the defendant.

10. Answering the allegations of the tenth paragraph of said bill of complaint, this defendant denies that said complainant had at the time of filing said bill of complaint any reason to apprehend that this defendant would endeavor to enforce its claim against her said property by advertising or procuring the same to be advertised for sale under the terms of the deed of trust given to secure the debt to this defendant, but on the contrary it avers that it has always

granted to said complainant every indulgence and extension of time in the matter of the payment of instalments on this loan that complainant has asked and had, immediately before the filing of said bill of complaint, communicated to said complainant its willingness to grant her reasonable indulgence in the payment of the instalments on said loan for July, August, September and October, 1906,
13 then overdue and unpaid.

11. And further answering said bill of complaint, this defendant says that, prior to the sixth day of January, 1892, the date on which the deed of trust and the bond secured thereby bear date, the complainant, who was and is described in said obligations as a teacher, and who was at the time said loan was made and up to a few months before said bill of complaint was filed and for many years previous thereto had been a principal of one of the public schools in the District of Columbia, applied to the agent of the defendant in the District of Columbia to know upon what terms and conditions a loan of \$4600 or thereabouts could be made to her upon the security afforded by a deed of trust upon the real estate and premises described in the bill of complaint. There was then exhibited to said complainant by said agent a schedule of the rates charged by this defendant for and in respect of moneys loaned by it applicable to cases in which re-payment was to be made in monthly, quarterly, semi-annual and annual payments, and the method of making said payments and the application thereof as made to the extinguishment of the debt was fully explained to said complainant. After receiving said information, the complainant made written application for said loan to this defendant. A true copy of said written application for the said loan is filed herewith and made a part hereof and marked *U. S. Co. Exhibit No. 1*, and it prayed that the same may be read and considered as a part of this answer. Thereupon the bond and the deed of trust on said property to secure the
14 payment of the same were duly prepared and executed by the complainant with full knowledge and understanding of their contents, and all their provisions, and the said complainant was provided with a statement or schedule showing the amount of the various instalments and the dates on which they respectively became due and payable. True copies of the said bond and deed of trust are filed herewith and made a part hereof, and marked *U. S. Co. Exhibits 2 and 3*, respectively, and it is prayed that the same may be read and considered as a part of this answer. The complainant had frequent interviews and communications with the defendant's agents in the District of Columbia in reference to postponements, during the summer months, of the payments of the several instalments on the said loan, and such postponements were always granted until on or about the 17th day of September, 1906, when said complainant, then being in default in the payment of the instalments due July 6, August 6 and September 6, 1906, called upon the agent of this defendant in the District of Columbia and explained that owing to the loss of her position in the Public Schools of said District, she would be unable for several months to come, and until she could secure other employment, to resume payment of the instalments then

overdue and thereafter to become due on said loan, and asked said agent to inquire of this defendant if said defendant would be willing to wait on her, said complainant, for about six months before exacting any payment from her on account of said loan. Thereupon this defendant authorized its said agent to say that it would wait a reasonable length of time for the complainant to pay the instalments on

15 said loan, and suggested that the complainant could pay off the remaining principal of said loan, and stated the amount that would be required so to do; and this defendant, upon information and belief, avers that such information was duly communicated to and received by the complainant, who subsequently, on or about the 2nd day of October, 1906, as this defendant is informed, and upon information and belief, avers, represented to its said agent that she was making arrangements to pay to said defendant the balance due on account of the principal of said loan as stated to her, but that she would not be able to complete such arrangements until later than the 5th of October, and said complainant asked for a detailed statement of the application of the annual payments made by her on account of said loan, which this defendant subsequently, to wit, on October 4th, 1906, furnished to its said agent in a letter of that date, a true copy of which is filed herewith and made a part hereof, marked *U. S. Co. Exhibit 4*, and it is prayed that the same may be read and considered as a part of this answer.

Subsequently, as this defendant is informed, and on information and belief avers, the statement in said letter was communicated to said complainant, and on the 24th of October, 1906, a copy of said letter was furnished to the solicitor for said complainant. Said letter and statement show that the amount to be credited on account of the principal of said debt, to wit, \$4600, up to the 6th day of November, 1906, at which date the next succeeding instalment on said loan fell due, was \$3101.78, leaving a balance of principal due on said last named date of \$1498.22, to which was added the
16 amount of the five overdue and unpaid instalments of \$35.19 each due on the 6th days of June, July, August, September and October, 1906, to wit, \$175.95, and a surrender charge or bonus for the privilege of paying said debt before its maturity, as provided in said deed of trust, of 2% on said balance of principal, to wit, \$29.96, with a satisfaction fee or cost of acknowledgment to a deed of release of said deed of trust of 50 cents, making in all the sum of \$1704.63.

The Complainant well knew that said sum was justly due from her to this defendant according to her written obligations and according to the statement and explanation made to her before the said loan was made and afterwards, by the agents and representatives of this defendant, and that the instalments or payments set forth in and provided by the bond secured by said deed of trust are fixed so as to provide for the repayment of the money specified in said bond as having been loaned by the defendant, with interest thereon at the rate of nine per cent. per annum, and the payment of said instalments provides for and secures partial payments in respect of the principal of said indebtedness and the extinguishment

of the debt in twenty years, as will more fully appear from the statement of the method by which said instalments were calculated and fixed, filed herewith and made a part hereof, and marked *U. S. Co. Exhibit No. 5*, which it is prayed may be read and considered as a part of this answer. This defendant has never exacted usurious or compound interest from the complainant, but on the contrary has allowed her credit for payments as though made when due, and not in respect of the actual dates of payments; and has
 17 offered to waive and relinquish the charge of two per cent. provided for in said obligations; and the complainant has always had it in her power to ascertain and at the time of filing this bill well knew the exact details of her indebtedness to this defendant, and the amount of her obligation.

And having fully answered, this defendant prays that it be hence dismissed with its reasonable costs in this behalf sustained.

UNITED SECURITY LIFE INSURANCE
 AND TRUST COMPANY OF PENN-
 SYLVANIA,
 By WM. M. COATES, *President*.

[SEAL.]

NATH'L WILSON,
 CLARENCE R. WILSON,
Solicitors for said Defendant.

STATE OF PENNSYLVANIA,
City and County of Philadelphia, To wit:

Be it remembered, that on this 4th day of June, A. D., 1907, before the subscriber, a Notary Public for the State of Pennsylvania, residing and acting in that office in the City and County of Philadelphia, personally appeared William M. Coates, who being first duly sworn deposes and says that he is the President of the United Security Life Insurance and Trust Company of Pennsylvania, whose name, under its common and corporate seal, is signed by him as President to the foregoing and annexed answer; that he derived his knowledge of the facts stated in said answer as President of said
 18 Company and while acting as such, and that the facts therein set forth are true, according to the best of his knoweldge, information and belief.

WM. M. COATES,

Subscribed and sworn to before me the day and year aforesaid.

[SEAL.]

JESSE WILLIAMS,
Notary Public.

Commission expires 1/21/1911.

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[On the margin.]

Equity. No. 26662.

COOPER

v.

UNITED SECURITY, &C., Co. ET AL.

U. S. Co. EXHIBIT No. 1 TO ANSWER OF UNITED SECURITY LIFE
INSURANCE AND TRUST COMPANY OF PENNSYLVANIA.

Please fill up plan on back, showing location of property, and any
details procurable.

(Copy.)

No. 3305.

I hereby apply to the United Security Life Insurance and Trust
Company of Pennsylvania for \$5000. subject to the terms, condi-
tions and limitations of an agreement to be hereafter entered into
between us, provided this application be approved and accepted by
said Company.

My full name Anna J. Cooper. Residence No. 1706 17th Street
N. W.

City Washington. County D. C. State ——. P. O. same.

Occupation Principal High School. With what firm or company
D. C. Gov't.

Place of business, No. —, High School Bldg. Street, City Wash.
D. C.

Without insurance. Age —.

How are the instalments to be paid.

Payments payable in advance monthly in advance within length
of term, 20 years.

The premises offered as a security for faithful performance of this
agreement are situate on the west side of 17th street, N. W. No.
1706 between R and S Streets, City of Wash'n. Ward —. Town-
ship of square 154 County of D. C. State of —.

Size of ground 16' x 82'.

Improvements consist of —.

Size of Building 16' x 45'.

No. of stories three & basem't. No. of rooms 12 and bath.

Buildings —. Cost \$4500.

Of what constructed—stone, brick, wood—brick.

Buildings occupied by or to be occupied by d'w'l'g. Now used or
to be used for same.

Premises to be insured and kept insured from loss by fire in the
sum of \$— in a Company satisfactory to this Company.

Holder of present mortgage or ground rent, — — —. Ad-
dress, —.

Present incumbrances, estates or rents to which property is subject \$4700.

Value of ground \$3300. Value of building \$4500.

Assessed value of property for the year —. Total amount of Taxes —.

Rent paid by applicant, or what property would rent for \$65 per month.

From whom did applicant buy built himself. When 1891.

Residence of seller ——. Price paid, \$ Cost \$7000.

Title — in name of — — —.

The property is situate at or near — station on — Railroad.

Is the above lot built on or not as above.

Access to property (keys, etc.) owner and resident.

Other information —.

Dated at Washington, D. C., Dec. 16, 1891.

(Signed)

ANNA J. COOPER, *Applicant*.

(Sign the name in full.)

Witness:

(Sd.) E. QUINCY SMITH.

N. B.—Insert points of Compass. Names of Adjoining Owners. Lines of the Lot and the Location of Buildings.

[Endorsed:] (Copy.) No. 3305. Application. Name Anna J. Cooper. Premises situated 1706 17th street, N. W., Wash'n, D. C. Date, Dec. 18, 1891. Amount, \$5000. Age — years. M. payments. Term 20 years. Agreement No. 1719. Executive Committee —. To the United Security Life Insurance and Trust Co. of Pennsylvania.

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Filed Jun- 5, 1907. J. R. Young, Clerk.

In Equity. No. 26662.

COOPER

v.

UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY OF PENNSYLVANIA.

U. S. Co. EXHIBIT No. 2 TO ANSWER OF UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY OF PENNSYLVANIA.

Know all Men by these Presents, that I, Anna J. Cooper, of the city of Washington, in the District of Columbia (widow) Teacher, (hereinafter called the Obligor) am held and firmly bound unto the United Security Life Insurance and Trust Company of Pennsylvania, a body corporate under the laws of the State of Pennsylvania (hereinafter called the Obligee), in the sum of Nine thousand, two hundred Dollars, current money of the United States of America, to be paid to the said Obligee, its successors or assigns, to which payment, well and truly to be made, I do bind and oblige myself, my

heirs, executors, and administrators, and every of them firmly by these presents. Sealed with my seal and dated this sixth day of January, in the year of our Lord one thousand eight hundred and ninety two (1892).

Whereas, the said Obligor ——— ———, being justly indebted unto the said Obligee in the sum of Four thousand six hundred Dollars, money to that amount having been loaned to her by the said Obligee hath agreed and doth hereby agree to pay said Obligee, its successors or assigns, at its office, in the City of Philadelphia, in the State of Pennsylvania, in current money as aforesaid, the said sum of Four thousand, six hundred Dollars and interest, for the period of twenty years from the date hereof, each and all the hereinafter mentioned monthly instalments on the days when they respectively become due, in the manner following, viz:

On the 6th day of every month of the 1st year beginning Feb. 6, 1892 \$49.15/100.

On the 6th day of every month of the 2nd year beginning Feb. 6, 1893 \$46.69/100.

On the 6th day of every month of the 3rd year beginning Feb. 6, 1894 \$46.16/100.

On the 6th day of every month of the 4th year beginning Feb. 6, 1895 \$45.59/100.

On the 6th day of every month of the 5th year beginning Feb. 6, 1896 \$44.99/100.

On the 6th day of every month of the 6th year beginning Feb. 6, 1897 \$44.25/100.

On the 6th day of every month of the 7th year beginning Feb. 6, 1898 \$43.62/100.

On the 6th day of every month of the 8th year beginning Feb. 6, 1899 \$42.69/100.

On the 6th day of every month of the 9th year beginning Feb. 6, 1900 \$41.81/100.

On the 6th day of every month of the 10th year beginning Feb. 6, 1901 \$40.85/100.

On the 6th day of every month of the 11th year beginning Feb. 6, 1902 \$39.83/100.

On the 6th day of every month of the 12th year beginning Feb. 6, 1903 \$38.78/100.

On the 6th day of every month of the 13th year beginning Feb. 6, 1904 \$37.63/100.

On the 6th day of every month of the 14th year beginning Feb. 6, 1905 \$36.48/100.

On the 6th day of every month of the 15th year beginning Feb. 6, 1906 \$35.19/100.

On the 6th day of every month of the 16th year beginning Feb. 6, 1907 \$33.80/100.

On the 6th day of every month of the 17th year beginning Feb. 6, 1908 \$32.52/100.

On the 6th day of every month of the 18th year beginning Feb. 6, 1909 \$31.05/100.

On the 6th day of every month of the 19th year beginning Feb. 6, 1910 \$29.58/100.

On the 6th day of every month of the 20th year beginning Feb. 6, 1911 \$27.23/100.

21 Now the Condition of this Obligation is such, That if the said Obligor her heirs, executors, or administrators or any of them, shall and do well and truly pay, or cause to be paid, to the said Obligee, its successors or assigns, the said several and respective sums at the place and the times hereinabove specified, and shall, on or before the first day of July of each and every year during the aforesaid period of twenty years, or so long as any part of said indebtedness shall remain unpaid, produce to the said Obligee, its successors or assigns, at its office aforesaid, the receipts of the proper officer or officers, showing payment of all taxes and assessment charged or assessed against or upon the real estate described in the Deed of Trust given to secure this Bond, and of the same date and number as this Bond, and showing payment of all premiums for effecting and keeping during the continuance of the said Trust, and to the satisfaction of the said Obligee, its successors or assigns, a fire insurance in an amount not less than Two thousand five hundred Dollars on the buildings on or to be erected on the said real estate, granted and described in the said Deed in the name of the Trustees under said deed, or the survivor of them, or substituted trustee, for the benefit of and to the satisfaction of the said Obligee, its successors or assigns, and on demand shall deliver to the said Obligee, its successors or assigns, the policy or policies of fire insurance, and shall pay on demand to the said Obligee, its successors or assigns, all costs and expenses incurred or paid on account of or in protecting said trust, or in enforcing the terms and conditions of this Bond, then this obligation to be null and void, otherwise to be and remain in full force and virtue: Provided always, That at any time after the expiration of five years from the date hereof, if each and every condition of this Bond shall have been faithfully kept and performed, the said Obligor her heirs, executors, administrators or assigns, may at her option cancel this Bond, and have a release of the aforesaid Deed of Trust, on payment to the said Obligee, its successors or assigns, of the balance unpaid of the principal of the aforesaid indebtedness, together with a premium thereon at the rate of two per centum on the amount of principal remaining unpaid:

And Provided further, That in the event of any sale under the aforesaid Deed, the whole of the aforesaid principal unpaid, whether then due or not, with interest thereon at the rate of nine per centum per annum from the date of default thereof, to the date of final payment of said principal, shall forthwith become payable and recovered at once, anything herein contained to the contrary notwithstanding.

ANNA J. COOPER. [SEAL.]

Signed, sealed and delivered in the presence of us:

E. QUINCY SMITH.
PAUL H. GROVE.

22

(Copy.)

U. S. Co. EXHIBIT No. 3 TO ANSWER OF UNITED SECURITY LIFE
INSURANCE AND TRUST COMPANY OF PENNSYLVANIA.

Deed of Trust.

In Equity. No. 26662.

COOPER

vs.

UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY OF
PENNSYLVANIA.

This indenture, Made this Sixth day of January in the year of our Lord one thousand eight hundred and ninety two (1892), Between Anna J. Cooper, of the City of Washington, in the District of Columbia (Widow), Teacher hereinafter designated as party hereto of the first part, and William E. Edmonston of the said City of Washington and Constantine H. Williamson of the City of Philadelphia, in the State of Pennsylvania Trustees, hereinafter designated as the said parties hereto of the second part.

Whereas, the said party hereto of the first part being justly indebted to the United Security Life Insurance and Trust Company of Pennsylvania, a body corporate under the laws of the State of Pennsylvania, and hereinafter designated the said Company, in the sum of Four thousand Six hundred Dollars, hath executed and delivered to the said Company her sealed Bond in the penal sum of Nine thousand, two hundred Dollars, bearing same date and number with these presents, conditioned for the payment by the said party hereto of the first part her heirs, executors, or administrators, to the said Company, its successors or assigns, in current money of the United

23 States of America, at its office in the City of Philadelphia, in the State of Pennsylvania, within the period of twenty years from the date thereof, in Monthly instalments, at the place and times and of the respective amounts specified in said Bond, of the principal sum of Four thousand, six hundred Dollars, by the said Obligee advanced and loaned to said Obligor, and interest thereon conditioned also, that the said Obligor her heirs, executors, or administrators shall, on or before the first day of July of each and every year during the aforesaid period of twenty years, or so long as any part of the said indebtedness remains unpaid, produce to the said Company, its successors or assigns, at its office aforesaid, the receipts of the proper officer or officers, showing payment of all taxes and assessments charged or assessed against or upon the real estate hereinafter described and granted, and showing payment of all premiums for effecting and keeping during the continuation of the trust herein created, and to the satisfaction of the said Company, its successors or assigns, a fire insurance in an amount not less than Two thousand, five hundred Dollars, on the buildings on or to be

erected on the real estate hereinafter described and granted in the name of the said Trustees, or the survivor of them or substituted Trustee, for the benefit of and to the satisfaction of the said Company, its successors or assigns; and on demand shall deliver to the said Company, its successors or assigns, the policy or policies of fire insurance; and shall pay on demand to the said Company, its successors or assigns, all costs and expenses incurred or paid on account of or in protecting the trust herein created, or in enforcing the terms and conditions of the said Bond: Provided always,

24 That at any time after the expiration of five years from the date thereof, if each and every condition of the said Bond shall have been faithfully kept and performed, the said party hereto of the first part, her heirs, executors, administrators, or assigns, may at her option cancel the said Bond and have a release of this Deed of Trust on payment to the said Company, its successors or assigns, of the balance unpaid of the principal of the aforesaid indebtedness, together with a premium thereon at the rate of two per centum on the amount of the principal remaining unpaid, and meaning and intending to secure the full and punctual performance of each and every condition of the aforesaid Bond, the said party of the first part now execute and deliver these presents.

Now this indenture witnesseth that the said party hereto of the first part, in consideration of the recited premises, and for and in consideration of five dollars to her paid by the said parties hereto of the second part, receipt of which in current money of the United States of America is hereby acknowledged hath bargained and sold, granted, enfeoffed, and conveyed, and doth hereby bargain and sell, grant, enfeoff, and convey, unto and to the use of the said parties hereto of the second part, their heirs and the survivor of them, his heirs and assigns, the following described land and premises, with the buildings, alleys, streets easements, rights, ways, and appurtenances thereto belonging, situate and lying in the said City of Washington and said District of Columbia, namely: All that certain Lot or piece of ground known as Lot Numbered Seventeen (17) in John J. and

25 Joseph R. Edsons Subdivision of part of original Lot Numbered One (1) in Square Numbered One hundred and fifty four (154) as said Subdivision is recorded in the office of the Surveyor of the District of Columbia aforesaid in Book J. H. K. page 275 and being further described as follows, to wit: Beginning for the same on West side of Seventeenth Street West, at the distance of Fifty (50) feet and eighty hundredths (80/100) of a foot Northward from the South East corner of said Square and a like distance Northward from the North side of North R Street; having a frontage of Sixteen (16) feet and forty hundredths (40/100) feet on the said Seventeenth Street West, by a depth Westward of that width of Eighty two (82) feet and ten hundredths (10/100) of a foot.

To have and to hold the same, with streets, alleys rights, ways, easements, and appurtenances, unto and to the use of the said parties hereto of the second part, their heirs and the survivor of them, his heirs and assigns, in and upon the uses and trusts following, and to and for no other use, intent, or purpose; that is to say:

First. To secure the full and punctual performance by the said party hereto of the first part her heirs, executors, administrators, or assigns, of each and every condition of the aforesaid Bond, and until a breach of any one of the conditions of said Bond, or a sale as hereinafter provided for, to stand seised of said land and premises unto the use of the said party hereto of the first part her heirs and assigns, and on full performance of all the conditions of said Bond, and payment of all costs and expenses incurred or paid in respect of
26 this trust (or sooner if properly authorized by the holder of said bond), to release and convey in fee, but without cost or expense to the said parties hereto of the second part, or their heirs or the survivor of them, or his heirs or substituted trustee, the said granted premises, or so much thereof as shall remain undisposed of as hereinafter provided for, unto the said party hereto of the first part or the person or persons then claiming the same, by, through, or under her.

Secondly. Upon default being made in the performance of any one of the conditions of said Bond, or in payment on demand of any costs or expenses incurred or paid on account of this trust, to sell the said herein granted premises at public auction, at such time and place, upon such terms and conditions, with such postponement of sale and resale, and after such previous public notice not less than ten days, as to the said parties hereto of the second part, their heirs or the survivor of them, or his heirs or substituted trustee, shall deem best for the interest of all parties concerned (and the terms of sale being complied with), to convey in fee to and at the cost of the purchaser, the premises sold, such purchaser being hereby discharged from all liability for the application of the purchase-money; and to apply the proceeds of sale (after paying therefrom all taxes due and the proper expenses of sale, including a trustee's commission of three per centum on the gross amount of sale) to the payment of the principal of the aforesaid indebtedness then unpaid, whether then due or not, with interest thereon at the rate of nine
26½ per centum per annum from the date of default thereof to the date of final payment of said principal, paying over the surplus, if any, to the said party hereto of the first part her executors, administrators, or assigns. And the said party hereto of the first part for herself, her heirs, executors, administrators, doth hereby covenant with the said parties hereto of the second part, their heirs or the survivor of them, or his heirs or substituted trustee, to forever warrant and defend the title to the said granted premises unto the said parties hereto of the second part, their heirs, or the survivor of them, or his heirs or substituted trustee, for the uses and purposes hereinbefore declared, from and against all persons claiming the same, or any part thereof, by, through, or under the said party hereto of the first part; and at the cost of the person requesting the same, to execute and deliver any further deed or deeds deemed by legal counsel necessary to more fully assure the title to the said granted premises unto the said parties hereto of the second part, their heirs or the survivor of them, or his heirs or substituted trustee, his heirs and assigns, for the uses aforesaid.

In testimony whereof, the said party hereto of the first part hath hereunto set her hand and seal the day and year first hereinabove written.

ANNA J. COOPER. [SEAL.]

Signed, sealed, and delivered in the presence of

The word "ten" and figure "10" first written on erasures on 27th line from top of second page.

E. QUINCY SMITH.

PAUL H. GROVE.

27 DISTRICT OF COLUMBIA, *To wit:*

I, E. Quincy Smith a Notary Public in and for the District of Columbia aforesaid, do hereby certify that Anna J. Cooper party to a certain Deed, bearing date on the Sixth day of January A. D. 1892, and hereto annexed, personally appeared before me, in the District aforesaid, the said Anna J. Cooper being personally well known to me to be the person who executed the said Deed, and acknowledged the same to be her act and deed.

Given under my hand and notarial seal, this eighth day of January A. D. 1892.

[SEAL.]

E. QUINCY SMITH,
Notary Public.

(Endorsed.)

Received for Record January 11 9.04 A. M. A. D. 1892 and recorded in Liber No. 1633 Folios 478 *et seq.*, one of the Land Records of the Dist. of Col.

Examined by

B. K. D——, *Recorder.*

28 U. S. Co. EXHIBIT No. 4 TO ANSWER OF UNITED SECURITY
LIFE INSURANCE AND TRUST COMPANY OF PENNSYLVANIA.

In Equity. No. 26662.

COOPER

vs.

UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY OF PENNSYLVANIA.

United Security Life Insurance and Trust Company of Pennsylvania,
&c., &c., &c., &c.

PHILADELPHIA, *October 4, 1906.*

In re Contract No. 1719. Cooper.

E. L. White, Esq., Pacific Building, Washington, D. C.

DEAR SIR: We have your favor of 2nd inst. in regard to No. 1719, Cooper. As you say that Mrs. Cooper will pay us off but that it will

be later than the fifth of October, we have accordingly made up a statement of settlement value as follows:

Amount advanced January 6, 1892.....	\$4600.00
Credit on account of principal 14 10/12 years to November 6, 1906.....	3101.78
	<hr/>
	\$1498.22
5 instalments due (June-November, 1906, inclusive, at \$35.19).....	175.95
Surrender charge 2 per cent.....	29.96
	<hr/>
Settlement value payable on or before November 5, 1906.	\$1704.13
Satisfaction charges.....	.50
	<hr/>
	\$1704.63

29 In reply to your further question as to the amount applied each year to principal, our Actuary gives us the following figures:

1st year.....	\$151.80
2nd "	160.08
3rd "	168.36
4th "	176.64
5th "	184.92
6th "	193.20
7th "	201.48
8th "	209.76
9th "	218.04
10th "	226.32
11th "	234.60
12th "	242.88
13th "	251.16
14th "	259.44

Total for 14 years..... \$2878.68

Add 10 months at \$22.31 each..... 223.10

\$3101.78

You will note the total credit agrees with the figures given in our statement above, and think they will be found correct. At all events, they are as per agreement.

Yours truly,

WM. M. COATES, *President.*

30 U. S. Co. EXHIBIT No. 5 TO ANSWER OF DEFENDANT, UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY OF PENNSYLVANIA.

In the Supreme Court of the District of Columbia.

In Equity. No. 26662.

ANNA J. COOPER, Complainant,
vs.

UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY OF PENNSYLVANIA, WILLIAM E. EDMONSTON, and CONSTANTINE H. WILLIAMSON, Defendants.

STATE OF PENNSYLVANIA,
City and County of Philadelphia, To wit:

Francis H. Hemperley being first duly sworn according to law deposes and says, that he is now and continuously has been, since the year 1887, the actuary of the United Security Life Insurance and Trust Company of Pennsylvania; that he made and formulated the calculations of the amounts to be paid to said Company by persons borrowing money from it, repayable in annual, semi-annual, quarter-yearly, or monthly instalments, such calculations including interest at varying percentages and a return of a portion of the principal; that he prepared and formulated the schedule of payments to be made by Anna J. Cooper, the complainant in the above-entitled cause, in respect of the loan to be made and that was made to her by said Company, of the sum of forty-six hundred dollars, repayable in specified monthly instalments throughout a period of twenty years, secured by a deed of trust from said Anna J. Cooper to Edmonston and Williamson on sub-lot 17, in Square 154, in the City of Washington, District of Columbia; that such schedule of payments is the same as that set out in the bond executed by said Anna J. Cooper, a true copy of which appears as U. S. Co. Exhibit No. 1 to the answer of said Company in this cause; that this affiant made the calculation and statement of the balance due on account and in
31 respect of said loan on or before the 5th day of November, 1906, as set out in the letter of said Company of October 4th, 1906, a true copy of which appears as *U. S. Co. Exhibit No. 4* to the answer of said Company in this cause, wherein and whereby it appears that the amount required to be paid on or before said 5th day of November, 1906, in settlement of said loan, was \$1,704.63; that the method of charging off the credits on said loan, both on account of principal and interest, and the manner in which the said sum of \$1,704.63, to be paid on or before November 5th, 1906, was arrived at, are as follows:

The amount of the credit made and to be made, in each year, on account of the principal of said loan of \$4,600 is computed upon a table of such credits calculated and allowed upon the basis of a loan of one thousand dollars, which said amount is—

at the end of the first	year.....	\$151.80
“ second	“	160.08
“ third	“	168.36
“ fourth	“	176.64
“ fifth	“	184.92
“ sixth	“	193.20
“ seventh	“	201.48
“ eighth	“	209.76
“ ninth	“	218.04
“ tenth	“	226.32
“ eleventh	“	234.60
“ twelfth	“	242.88
“ thirteenth	“	251.16
“ fourteenth	“	259.44
“ fifteenth	“	267.72
“ sixteenth	“	276.
“ seventeenth	“	284.28
“ eighteenth	“	292.56
“ nineteenth	“	300.84
“ twentieth	“	299.92,

and all of which said credits combined and at the end of the term, or twentieth year, for which said loan was made, aggregate the sum of \$4,600, so that the principal remaining due at the beginning of each year of the term of said loan after the first year is the
 32 amount due in respect of said loan at the beginning of the previous year diminished by the credit made in such year.

According to the terms of said bond the sum of the instalments agreed to be paid upon the said loan of \$4,600 in the first year is \$565.80, the deduction from which of the said credit of \$151.80 made in that year leaves a remainder of \$414, which represents and is the amount of the interest charged and retained for the use of said \$4,600 during said first year. The sum of the instalments so agreed to be paid in the second year is \$560.28, the deduction from which of the said credit of \$160.08 made in that year leaves a remainder of \$400.20, which represents and is the amount of the interest charged and retained for the use of the balance of principal, to wit, \$4,448.20, during said second year. The sum of the instalments so agreed to be paid in the third year is \$553.92, the deduction from which of the said credit of \$168.36 made in that year leaves a remainder of \$385.56, which represents and is the amount of the interest charged and retained for the use of balance of principal, to wit, \$4,288.12, during the said third year; and this method of calculation, payment and application was made in each of the succeeding years down to and including the fourteenth year and ten months of the fifteenth year of said loan, all instalments due up to said fourteenth year and ten months of the fifteenth year being treated as paid, although, in fact, the five instalments of \$35.19 each due June, July, August, September and October 6th, 1906, had not then been paid, whereby there remained due a balance of principal of \$1,498.22, to which there was added the amount of said five unpaid instalments, to wit, \$175.95, and a surrender charge or pre-

mium of two per cent. on said balance of \$1,498.22, to wit, \$29.96, for the privilege of paying said loan before its maturity, and fifty cents as the cost of acknowledgment in Philadelphia to a deed of release of said deed of trust, making in all the said sum of \$1,704.63, as stated and claimed in the said answer of said Company.

FRANCIS H. HEMPERLEY.

Sworn to and subscribed before me this fourth day of June, 1907.

[NOTARIAL SEAL.]

JESSE WILLIAMS,
Notary Public.

Commission expires June 21, 1911.

34 *Answer of William E. Edmonston and Constantine H. Williamson.*

Filed June 5, 1907.

In the Supreme Court of the District of Columbia.

In Equity. No. 26662.

ANNA J. COOPER, Complainant,
vs.

UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY OF PENNSYLVANIA, WILLIAM E. EDMONSTON, and CONSTANTINE H. WILLIAMSON, Defendants.

These defendants for answer to so much of the complainant's bill of complaint as they are advised it is material for them to make answer unto, answering say:

They admit that they are the trustees named in the deed of trust described in said bill of complaint, and they respectfully submit their duties and rights in respect of the execution of the trusts thereby imposed upon them for the consideration and determination of this Honorable Court.

W. E. EDMONSTON.
C. H. WILLIAMSON.

Verification waived:

IRVING WILLIAMSON,
For Complainant.

NATH'L WILSON,
CLARENCE R. WILSON,
Solicitors for said Defendants.

35

Replication.

Filed June 19, 1907.

In the Supreme Court of the District of Columbia.

Equity. No. 26662.

ANNA J. COOPER

vs.

UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY ET AL.

The complainant hereby joins issue upon the answers of the defendants.

IRVING WILLIAMSON,
Solicitor for Complainant.

Order Referring Cause to Auditor.

Filed February 21, 1908.

In the Supreme Court of the District of Columbia.

In Equity. No. 26662.

ANNA J. COOPER, Complainant,

*vs.*UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY OF
PENNSYLVANIA ET AL., Defendants.

This cause coming on to be heard, it is by consent of counsel for the respective parties, adjudged and ordered by the court, this twenty-first day of February, 1908, that this cause be and the same is hereby referred to the Auditor of this court, with instructions to state an account between the complainant and the defendant corporation, and to ascertain and report what amount is due by the complainant to said corporation on the loan made to her by it and evidenced by the bond and deed of trust referred to in these proceedings, with leave to the parties to adduce before the Auditor such evidence as they may be advised; and that exceptions, if any, filed by either complainant or defendant- herein to such report shall stand for hearing forthwith.

HARRY M. CLABAUGH,
Chief Justice.

We consent.

IRVING WILLIAMSON,
Sol'r for Compl't.

NATH'L WILSON,
CLARENCE R. WILSON,
E. L. W.,

Sol'rs for Defendants.

Auditor's Report.

Filed June 2, 1908.

In the Supreme Court of the District of Columbia.

Equity. No. 26662.

ANNA J. COOPER

*vs.*UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY OF
PENNSYLVANIA ET AL.

This cause is referred to me to state an account between the complainant and defendant corporation in respect of the loan
37 made to her by it and evidenced by the bond and deed of trust referred to in these proceedings. After the notice I proceeded with the reference.

No evidence was offered by either of the parties the subject matter of the reference being argued upon the record in the cause.

On the 6th of June 1892 the complainant executed and delivered to the said Company her bond in the penal sum of \$9,200. The condition of the said bond is that whereas the obligor was justly indebted to the obligee in the sum of \$4,600, that amount having been loaned to her, she agreed to pay the obligee the said sum and interest for the period of twenty years in monthly instalments payable on the 6th of every month beginning with the month of February 1892. The bond specifies the monthly payments for each successive year to and including the twentieth, at which time the indebtedness would be satisfied. The bond further provided that after the expiration of five years if the conditions had been faithfully kept, the obligor or her representatives might at option cancel the bond on payment of the balance unpaid of the principal indebtedness with a premium of two per centum on the amount remaining unpaid. These are all the conditions material to the statement of this account.

On the first of November 1906 the complainant filed her bill in this cause setting forth the execution and delivery of the said bond and deed of trust conveying certain real estate to trustees to secure
the performance by the complainant of the obligations upon
38 her part to be kept and performed by virtue of the said bond.

The complainant then recited the payments made by her beginning with February 1892 and yearly from that time to and including 1905 and the payment of five instalments in 1906. The bill avers that at that time the payments made by the complainant computing interest on the loan at the rate of six per cent. per annum was entirely liquidated with an excess in favor of the complainant but that nevertheless in an account obtained from the defendants demand was made for the further sum of \$1,704.63.

An important averment of the bill is that the complainant had no

information or notice that the contract set forth in the bond included the payment of interest at any rate in excess of six per cent. per annum, and that she was not advised to the contrary until receiving the account and demand of the complainant just above referred to.

The bill generally avers that the contract as interpreted by the complainant is usurious and therefore void at least as to the excess of interest.

The defendant filed with its answer a statement showing the application of the yearly payments on account of the principal and a summary computation showing the amount demanded from the complainant. There is no controversy between the parties as to the payments made by the complainant and the issue here is simply whether the agreement contained in the bond as executed by the complainant, is usurious. This is one of a class of contracts so apparently attractive to the borrower in that it seems to afford a convenient way of discharging indebtedness by gradually lessening payments. To ascertain its rate of interest before making the agreement needs a computation which parties do not often take the trouble to make.

This is, in fact, a nine per cent. contract, just within the limits of lawful interest, but it is still a contract by which both parties are equally bound so far as their respective obligations are defined.

The following is an illustration of the methods of computation followed by the defendant in making up the account presented with its answer and the balance demanded from the complainant. The amount of the loan is \$4,600.

During the year ending February 6, 1893 the monthly payments made by the complainant aggregated.....	\$565.80
Interest on the loan at nine per cent. amounts to.....	414.00
	<hr/>
Leaving to be applied on the principal.....	\$151.80

This deducted from the amount of the loan leaves \$4,448.20 on which interest at the rate of nine per cent. is figured for another year and deducted from the aggregate monthly payments of the second year making a new principal balance and so on to the 5th of February 1906.

I have tested the entire computation and if anything it is favorable to the complainant.

JAS. G. PAYNE, *Auditor.*

40 Anna J. Cooper in Account with the United Security Life Insurance and Trust Company of Pennsylvania.

DR.

To Amount of loan January 6, 1892..... \$4,600.00

CR.

By Payments applied on account of principal to November 6, 1906 treating the monthly payments for June to November as if paid..... 3,101.78
 \$1,498.22

DR.

To monthly payments for June to November 1906 not paid 175.95
 Two per cent. on balance per conditions of bond..... 29.96

Balance due defendant November 5, 1906..... \$1,704.13

JAS. G. PAYNE, Auditor.

41 *Exceptions by Complainant to Auditor's Report.*

Filed June 15, 1908.

In the Supreme Court of the District of Columbia.

Equity. No. 26662.

ANNA J. COOPER

vs.

UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY OF PENNSYLVANIA ET AL.

And now comes the complainant and excepts to the report of the Auditor filed herein, and for cause of exception shows:

1. The Auditor erred in finding and reporting that the complainant was indebted to the defendant company on November 5, 1906 in the sum of \$1,704.13, for the reason that the amount so found is based upon an allowance to said company of interest at the rate of nine per cent. per annum; whereas under the terms of the bond mentioned in the proceedings and referred to by the Auditor in his report, the complainant bound herself to pay the sum of \$4,600 "and interest for the period of twenty years from the date" thereof, which as a matter of law meant interest at the rate of six per cent. per annum, and any rate higher than that must, to be valid and collectible, be specified.

2. Because the Auditor erred in stating the account between said parties in the manner set forth in the schedule annexed to his report, instead whereof he should have charged the complainant with the loan of \$4,600, with six per cent. interest thereon and credited her with the payments made, by which method it will appear that said debt has long since been paid.

IRVING WILLIAMSON,
Sol'r for Compl't.

Decree.

Filed November 10, 1908.

In the Supreme Court of the District of Columbia.

No. 26662. Equity.

ANNA J. COOPER, Complainant,

vs.

UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY OF
PENNSYLVANIA ET AL., Defendants.

This cause came on to be heard upon bill and answer and the exceptions of the complainant to the report of the Auditor, and was argued by counsel and considered by the Court, whereupon it is, this tenth day of November, 1908, by the Court in Equity sitting,

Adjudged, ordered and decreed, that said exceptions be and the same are hereby overruled and that said report be and the same is hereby confirmed; and that the relief prayed for in the bill of complaint, in respect of the delivery up and cancellation of the bond and the execution of a release by the defendant trustees, and of the en-

joining of said trustees from selling or attempting to sell under the deed of trust referred to in the said bill of complaint, be and the same is hereby denied; and that the defendants recover of and from the complainant their costs to be taxed by the Clerk and have execution therefor as at law: from which decree the complainant, in open court, prays an appeal to the Court of Appeals of the District of Columbia, which is allowed, and the penalty of the bond to be given by said complainant and to operate as a supersedeas of this decree, pending said appeal, is fixed in the sum of one thousand dollars.

WRIGHT, *Justice.*

Memorandum.

November 24, 1908.—Appeal bond filed.

Directions to Clerk for Preparation of Transcript of Record.

Filed November 24, 1908.

In the Supreme Court of the District of Columbia.

Equity. No. 26662.

ANNA J. COOPER

vs.

UNITED SECURITY LIFE INSURANCE AND TRUST COMPANY OF PENNSYLVANIA ET AL.

John R. Young, Esq., Clerk:

Please include in the Transcript of Record for the Court of Appeals, in the above entitled cause, the following:

1. Bill of Complaint.

2. Answer of defendant United Security Life Insurance and Trust Company, with the five exhibits filed therewith, namely, (a) application for loan, (b) bond, (c) deed of trust, (d) letter of company to White of October 4, 1906, (e) affidavit of Francis H. Hemperly.

3. Answer of William E. Edmonston.

4. Answer of Constantine H. Williamson.

5. Replication.

6. Order of reference to Auditor.

7. Auditor's report.

8. Complainant's exceptions thereto.

9. Final decree.

10. Memorandum showing approval and filing of appeal bond.

IRVING WILLIAMSON,

Sol'r for Comp't.

Supreme Court of the District of Columbia.

UNITED STATES OF AMERICA,

District of Columbia, ss:

I, John R. Young, Clerk of the Supreme Court of the District of Columbia, hereby certify the foregoing pages numbered from 1 to 44, both inclusive, to be a true and correct transcript of the record according to directions of counsel herein filed, copy of which is made part of this transcript, in cause No. 26662, In Equity, wherein Anna J. Cooper is Complainant and United Security Life Insurance and Trust Company of Pennsylvania, *et al.*, are Defendants, as the same remains upon the files and of record in said court.

In testimony whereof, I hereunto subscribe my name and affix the seal of said Court, at the City of Washington, in said District, this 8th day of January, A. D. 1909.

[Seal Supreme Court of the District of Columbia.]

JOHN R. YOUNG, *Clerk.*

Endorsed on cover: District of Columbia supreme court. No. 1978. Anna J. Cooper, appellant, *vs.* United Security Life Insurance and Trust Company of Pennsylvania *et al.* Court of Appeals, District of Columbia. Filed Jan. 9, 1909. Henry W. Hodges, clerk.

